



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

Universal DME

**Respondent Name**

American Casualty Co of Reading PA

**MFDR Tracking Number**

M4-16-3856-01

**Carrier's Austin Representative**

Box Number 47

**MFDR Date Received**

August 29, 2016

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "On 06/21/2016 the claim was issued a partial payment in the amount of \$31.42. Per EOB it stated that workers compensation jurisdictional fee schedule adjustment. On 07/19/2016 we sent our appeal for payment, including all supporting documentation. On 08/15/2016 our appeal was denied for all the same reasons."

**Amount in Dispute:** \$459.98

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "Carrier paid the Requestor the amount of \$31.43 based on the payment of one monthly rental unit at 125%. Carrier paid the monthly DMEPOS rental fee for E0935 amount \$25.14 at 125%, which is \$31.43."

**Response Submitted by:** Brian J. Judis, 700 N. Pearl, Suite 425, Dallas, TX 75201

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 2 – 15, 2016	E0935, RR	\$459.98	\$408.53

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out reimbursement guidelines for professional medical services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - P12 – Workers' compensation jurisdictional fee schedule adjustment
  - 1 – The amount paid reflects a fee schedule reduction

- The charge for this procedure exceeds the fee schedule allowance

### **Issues**

1. Are the insurance carrier's reasons for reduction of payment supported?
2. What is the rule applicable to reimbursement?
3. Is the requestor entitled to additional reimbursement?

### **Findings**

1. This claim involves the rental of code E0935 – "Continuous passive motion exercise device for use on knee only." The dates of service in dispute span from May 2 – 15, 2016.

The insurance carrier reduced the disputed services with claim adjustment reason code P12 – "Workers' compensation jurisdictional fee schedule adjustment." 28 Texas Administrative Code §134.203(a)(5) states in pertinent part,

"Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare.

Review of the CMS Medicare Claims Processing Manual, [www.cms.hhs.gov](http://www.cms.hhs.gov), Chapter 20, Section 30.2.1, states in pertinent part, *Daily Payment for Continuous Passive Motion (CPM) Devices*

*...payment for each day that the device is used in the patient's home*

Review of the submitted medical claim finds a date span from May 2 – 15, 2016 for a total of 14 days or units.

Review of the explanation of benefits from the carrier finds "1" unit was considered for payment.

Based on the applicable Medicare payment policy, the total "daily" rental of 14 days will be considered per applicable fee guideline.

2. 28 Texas Administrative Code §134.203 (d) states,

The MAR for Healthcare Common Procedure Coding System (HCPCS) Level II codes A, E, J, K, and L shall be determined as follows:

125 percent of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule;

Review of the 2016 – 2<sup>nd</sup> Quarter Texas DMEPOS Fee Schedule finds the allowable for E0935, RR is \$25.14

This fee schedule amount (\$25.14) x 14 days = \$351.96 multiplied by 125% = \$439.95.

3. The total allowable reimbursement is \$439.95. The amount paid by the carrier was \$31.42. The remaining balance of \$408.53 is due to the requestor.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$408.53.

## **ORDER**

Based on the submitted information, pursuant to Texas Labor Code Sec. 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services in dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$408.53, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

### **Authorized Signature**

Signature	Medical Fee Dispute Resolution Officer	September 29, 2016 Date
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## **YOUR RIGHT TO APPEAL**

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**